

SERFF Tracking Number:	METX-125497127	State:	Arkansas
Filing Company:	Metropolitan Property and Casualty Insurance Company	State Tracking Number:	EFT \$125
Company Tracking Number:	HO AR0004001R01		
TOI:	04.0 Homeowners	Sub-TOI:	04.0000 Homeowners Sub-TOI Combinations
Product Name:	Homeowners Program		
Project Name/Number:	/HO AR0004001R01		

Filing at a Glance

Company: Metropolitan Property and Casualty Insurance Company

Product Name: Homeowners Program

SERFF Tr Num: METX-125497127 State: Arkansas

TOI: 04.0 Homeowners

SERFF Status: Closed

State Tr Num: EFT \$125

Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations

Co Tr Num: HO AR0004001R01

State Status: Fees verified and received

Filing Type: Rate/Rule

Co Status:

Reviewer(s): Becky Harrington, Betty Montesi, Brittany Yielding

Author: Richard Collard

Disposition Date: 02/22/2008

Date Submitted: 02/20/2008

Disposition Status: Filed

Effective Date Requested (New): 03/15/2008

Effective Date (New): 03/15/2008

Effective Date Requested (Renewal): 04/19/2008

Effective Date (Renewal): 04/19/2008

State Filing Description:

General Information

Project Name:

Status of Filing in Domicile:

Project Number: HO AR0004001R01

Domicile Status Comments:

Reference Organization:

Reference Number:

Reference Title:

Advisory Org. Circular:

Filing Status Changed: 02/22/2008

State Status Changed: 02/20/2008

Deemer Date:

Corresponding Filing Tracking Number:

Filing Description:

AR MetP&C Home Rate and Rule Revision. Please refer to filing introduction for details.

Company and Contact

Filing Contact Information

SERFF Tracking Number: METX-125497127 State: Arkansas
Filing Company: Metropolitan Property and Casualty Insurance State Tracking Number: EFT \$125
Company
Company Tracking Number: HO AR0004001R01
TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations
Product Name: Homeowners Program
Project Name/Number: /HO AR0004001R01

Jacqueline Hattoy, Sr. State Filing Specialist jhattory@metlife.com
700 Quaker Lane (401) 827-2949 [Phone]
Warwick, RI 02887 (401) 827-3929[FAX]

Filing Company Information

Metropolitan Property and Casualty Insurance CoCode: 26298 State of Domicile: Rhode Island
Company
700 Quaker Lane Group Code: 241 Company Type: Property and
Warwick, RI 02887 Casualty
Group Name: Metropolitan Property and Casualty Insurance Company
(401) 827-2000 ext. [Phone] State ID Number:
FEIN Number: 13-2725441

SERFF Tracking Number: METX-125497127 State: Arkansas
Filing Company: Metropolitan Property and Casualty Insurance State Tracking Number: EFT \$125
Company
Company Tracking Number: HO AR0004001R01
TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations
Product Name: Homeowners Program
Project Name/Number: /HO AR0004001R01

Filing Fees

Fee Required? Yes
Fee Amount: \$125.00
Retaliatory? No
Fee Explanation:
Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
Metropolitan Property and Casualty Insurance Company	\$125.00	02/20/2008	18058979

<i>SERFF Tracking Number:</i>	<i>METX-125497127</i>	<i>State:</i>	<i>Arkansas</i>
<i>Filing Company:</i>	<i>Metropolitan Property and Casualty Insurance Company</i>	<i>State Tracking Number:</i>	<i>EFT \$125</i>
<i>Company Tracking Number:</i>	<i>HO AR0004001R01</i>		
<i>TOI:</i>	<i>04.0 Homeowners</i>	<i>Sub-TOI:</i>	<i>04.0000 Homeowners Sub-TOI Combinations</i>
<i>Product Name:</i>	<i>Homeowners Program</i>		
<i>Project Name/Number:</i>	<i>/HO AR0004001R01</i>		

Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Filed	Becky Harrington	02/22/2008	02/22/2008

Objection Letters and Response Letters

Objection Letters				Response Letters		
Status	Created By	Created On	Date Submitted	Responded By	Created On	Date Submitted
Pending Industry Response	Becky Harrington	02/20/2008	02/20/2008	Richard Collard	02/21/2008	02/21/2008
Pending Industry Response	Becky Harrington	02/20/2008	02/20/2008	Richard Collard	02/20/2008	02/20/2008

<i>SERFF Tracking Number:</i>	<i>METX-125497127</i>	<i>State:</i>	<i>Arkansas</i>
<i>Filing Company:</i>	<i>Metropolitan Property and Casualty Insurance Company</i>	<i>State Tracking Number:</i>	<i>EFT \$125</i>
<i>Company Tracking Number:</i>	<i>HO AR0004001R01</i>		
<i>TOI:</i>	<i>04.0 Homeowners</i>	<i>Sub-TOI:</i>	<i>04.0000 Homeowners Sub-TOI Combinations</i>
<i>Product Name:</i>	<i>Homeowners Program</i>		
<i>Project Name/Number:</i>	<i>/HO AR0004001R01</i>		

Disposition

Disposition Date: 02/22/2008

Effective Date (New): 03/15/2008

Effective Date (Renewal): 04/19/2008

Status: Filed

Comment:

Company Name:	Overall % Rate Impact:	Written Premium Change for this Program:	# of Policy Holders Affected for this Program:	Premium:	Maximum % Change (where required):	Minimum % Change (where required):	Overall % Indicated Change:
Metropolitan Property and Casualty Insurance Company	2.500%	\$67,369	2,910	\$2,694,769	%	%	%

SERFF Tracking Number: METX-125497127 State: Arkansas

Filing Company: Metropolitan Property and Casualty Insurance Company State Tracking Number: EFT \$125

Company Tracking Number: HO AR0004001R01

TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations

Product Name: Homeowners Program

Project Name/Number: /HO AR0004001R01

Item Type	Item Name	Item Status	Public Access
Supporting Document	Uniform Transmittal Document-Property & Casualty	Filed	Yes
Supporting Document	HPCS-Homeowners Premium Comparison Survey	Filed	Yes
Supporting Document	NAIC Loss Cost Filing Document for OTHER than Workers' Comp	Filed	No
Supporting Document	Filing Introduction	Filed	Yes
Supporting Document	Cover Letter	Filed	Yes
Supporting Document	Rate Change Exhibit, Rate Change by Territory, Coverage A Factor Change, Sewer Sump, Rate Level Indications, Cat Allowance, Loss and Premium Trend, Loss Development Factors, Expense Exhibit	Filed	Yes
Supporting Document	Sewer Sump Pump Exposures	Filed	Yes
Supporting Document	Form RF-1	Filed	Yes
Supporting Document	Objection Response Letter 2/21/08	Filed	Yes
Rate	Rate Pages	Filed	Yes
Rate	Coverage 13	Filed	Yes

SERFF Tracking Number: METX-125497127 State: Arkansas
Filing Company: Metropolitan Property and Casualty Insurance State Tracking Number: EFT \$125
Company
Company Tracking Number: HO AR0004001R01
TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations
Product Name: Homeowners Program
Project Name/Number: /HO AR0004001R01

Objection Letter

Objection Letter Status Pending Industry Response
Objection Letter Date 02/20/2008
Submitted Date 02/20/2008

Respond By Date

Dear Jacqueline Hattoy,

This will acknowledge receipt of the captioned filing.

Objection 1

- Sewer Sump Pump Exposures (Supporting Document)

Comment: Please provide additional supporting data that justifies the increase for these insureds. The comparison of other writers is not sufficient given the number of insureds impacted. Also provide an explanation of "other products" . Explain how the amount charged for policy limit was developed in comparison with that of the \$250000 and \$100000 limit.

Please feel free to contact me if you have questions.

In accordance with Regulation 23, Section 7.A., this filing may not be implemented until 20 days after the requested amendment(s) and/or information is received.

Sincerely,

Becky Harrington

Response Letter

Response Letter Status Submitted to State
Response Letter Date 02/21/2008
Submitted Date 02/21/2008

Dear Becky Harrington,

Comments:

Dear Ms. Harrington,

This is a response to your Objection Letter dated 2/21/08.

SERFF Tracking Number: METX-125497127 State: Arkansas
Filing Company: Metropolitan Property and Casualty Insurance State Tracking Number: EFT \$125
Company
Company Tracking Number: HO AR0004001R01
TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations
Product Name: Homeowners Program
Project Name/Number: /HO AR0004001R01

Response 1

Comments: We have attached a response.

Related Objection 1

Applies To:

- Sewer Sump Pump Exposures (Supporting Document)

Comment:

Please provide additional supporting data that justifies the increase for these insureds. The comparison of other writers is not sufficient given the number of insureds impacted. Also provide an explanation of "other products" . Explain how the amount charged for policy limit was developed in comparison with that of the \$250000 and \$100000 limit.

Changed Items:

Supporting Document Schedule Item Changes

Satisfied -Name: Objection Response Letter 2/21/08

Comment: Response to Objection Letter 2/21/08

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Please contact me if you have any further questions.

Thank you,
Jackie Hattoy

Sincerely,
Richard Collard

SERFF Tracking Number: METX-125497127 State: Arkansas
Filing Company: Metropolitan Property and Casualty Insurance State Tracking Number: EFT \$125
Company
Company Tracking Number: HO AR0004001R01
TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations
Product Name: Homeowners Program
Project Name/Number: /HO AR0004001R01

Objection Letter

Objection Letter Status Pending Industry Response
Objection Letter Date 02/20/2008
Submitted Date 02/20/2008
Respond By Date
Dear Jacqueline Hattoy,
This will acknowledge receipt of the captioned filing.

Objection 1

- Rate Change Exhibit, Rate Change by Territory, Coverage A Factor Change, Sewer Sump, Rate Level Indications, Cat Allowance, Loss and Premium Trend, Loss Development Factors, Expense Exhibit (Supporting Document)

Comment: Provide the number of insureds impacted by the sump pump endorsement change for \$10,000 and \$50,000 other products, and Policy amounts for both Platinum and other products.

Objection 2

No Objections

Comment: Required form RF-1 was not submitted.

Please feel free to contact me if you have questions.

In accordance with Regulation 23, Section 7.A., this filing may not be implemented until 20 days after the requested amendment(s) and/or information is received.

Sincerely,
Becky Harrington

Response Letter

Response Letter Status Submitted to State
Response Letter Date 02/20/2008
Submitted Date 02/20/2008

Dear Becky Harrington,

SERFF Tracking Number: METX-125497127 State: Arkansas
Filing Company: Metropolitan Property and Casualty Insurance State Tracking Number: EFT \$125
Company
Company Tracking Number: HO AR0004001R01
TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations
Product Name: Homeowners Program
Project Name/Number: /HO AR0004001R01

Comments:

This is in response to your 2/20/08 objection.

Response 1

Comments: We have attached our sewer sump pump exposures exhibit

Related Objection 1

Applies To:

- Rate Change Exhibit, Rate Change by Territory, Coverage A Factor Change, Sewer Sump, Rate Level Indications, Cat Allowance, Loss and Premium Trend, Loss Development Factors, Expense Exhibit (Supporting Document)

Comment:

Provide the number of insureds impacted by the sump pump endorsement change for \$10,000 and \$50,000 other products, and Policy amounts for both Platinum and other products.

Changed Items:

Supporting Document Schedule Item Changes

Satisfied -Name: Sewer Sump Pump Exposures

Comment:

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Response 2

Comments: We have attached the RF-1 form.

Related Objection 1

Comment:

Required form RF-1 was not submitted.

Changed Items:

Supporting Document Schedule Item Changes

Satisfied -Name: Form RF-1

Comment:

State: *Arkansas*

State Tracking Number: EFT \$125

Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations

Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations

Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations

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Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations

SERFF Tracking Number:	METX-125497127	State:	Arkansas
Filing Company:	Metropolitan Property and Casualty Insurance Company	State Tracking Number:	EFT \$125
Company Tracking Number:	HO AR0004001R01		
TOI:	04.0 Homeowners	Sub-TOI:	04.0000 Homeowners Sub-TOI Combinations
Product Name:	Homeowners Program		
Project Name/Number:	/HO AR0004001R01		

Rate Information

Rate data applies to filing.

Filing Method:	File and Use
Rate Change Type:	Increase
Overall Percentage of Last Rate Revision:	0.000%
Effective Date of Last Rate Revision:	04/23/2007
Filing Method of Last Filing:	File and Use

Company Rate Information

Company Name:	Overall % Indicated Change:	Overall % Rate Impact:	Written Premium Change for this Program:	# of Policy Holders Affected for this Program:	Premium:	Maximum % Change (where required):	Minimum % Change (where required):
Metropolitan Property and Casualty Insurance Company	%	2.500%	\$67,369	2,910	\$2,694,769	%	%

SERFF Tracking Number: METX-125497127 State: Arkansas

Filing Company: Metropolitan Property and Casualty Insurance Company State Tracking Number: EFT \$125

Company Tracking Number: HO AR0004001R01

TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations

Product Name: Homeowners Program

Project Name/Number: /HO AR0004001R01

Rate/Rule Schedule

Review Status:	Exhibit Name:	Rule # or Page #:	Rate Action	Previous State Filing Attachments Number:
Filed	Rate Pages	Owners 5,6,11,12-Renters 5	Replacement	Owners 5,6,11,12-Renters 5.PDF
Filed	Coverage 13	Page 60	Replacement	Page 60.PDF

METROPOLITAN PROPERTY AND CASUALTY INSURANCE COMPANY

ARKANSAS RESIDENTAL PROPERTY

Homeowners, HO-2 Homeowners, Market Value, Ultra, Platinum Homeowners, GrandProtect Homeowners,

Base Premiums - \$500 Deductible

Base Premiums

Coverage A Factors

Territory	Base Rate	Cov. A Amount	Homeowners & HO-2 Homeowners	Ultra*	Platinum Homeowners**	Cov. A Amount	Homeowners & HO-2 Homeowners	Ultra*	Platinum Homeowners**
11	909	\$30,000	0.470	0.536	0.616	\$190,000	1.144	1.144	1.270
12	1105	\$40,000	0.505	0.576	0.662	\$200,000	1.180	1.180	1.298
13	1329	\$45,000	0.520	0.593	0.682	\$210,000	1.242	1.242	1.366
14	1153	\$50,000	0.530	0.604	0.695	\$220,000	1.304	1.304	1.434
15	925	\$55,000	0.551	0.617	0.710	\$230,000	1.366	1.366	1.503
16	1089	\$60,000	0.572	0.629	0.723	\$240,000	1.428	1.428	1.571
17	1264	\$65,000	0.593	0.637	0.733	\$250,000	1.490	1.490	1.639
22	847	\$70,000	0.614	0.644	0.741	\$260,000	1.554	1.554	1.709
23	805	\$75,000	0.634	0.660	0.759	\$270,000	1.618	1.618	1.780
31	779	\$80,000	0.655	0.675	0.776	\$280,000	1.682	1.682	1.850
32	662	\$85,000	0.676	0.692	0.796	\$290,000	1.746	1.746	1.921
33	926	\$90,000	0.697	0.708	0.814	\$300,000	1.810	1.810	1.991
34	1104	\$95,000	0.718	0.724	0.833	\$350,000	2.180	2.180	2.398
35	1196	\$100,000	0.739	0.739	0.850	\$400,000	2.511	2.511	2.762
38	811	\$105,000	0.765	0.765	0.880	\$450,000	2.814	2.814	3.095
		\$110,000	0.791	0.791	0.910	\$500,000	3.190	3.190	3.509
		\$115,000	0.817	0.817	0.940	\$550,000	3.635	3.635	3.962
		\$120,000	0.843	0.843	0.969	\$600,000	4.070	4.070	4.396
		\$125,000	0.869	0.869	0.999	\$650,000	4.450	4.450	4.762
		\$130,000	0.896	0.896	1.030	\$700,000	4.850	4.850	5.141
		\$135,000	0.922	0.922	1.060	\$750,000	5.250	5.250	5.513
		\$140,000	0.948	0.948	1.090	\$800,000	5.620	5.620	5.901
		\$145,000	0.974	0.974	1.120	\$850,000	6.000	6.000	6.300
		\$150,000	1.000	1.000	1.150	\$900,000	6.400	6.400	6.720
		\$160,000	1.036	1.036	1.181	\$950,000	6.800	6.800	7.140
		\$170,000	1.072	1.072	1.211	\$1,000,000	7.150	7.150	7.508
		\$180,000	1.108	1.108	1.241	Ea. Add'l 10	0.070	0.070	0.074

Protection Class Factors

Protection Class	Factors
1	1.000
2	1.000
3	1.000
4	1.100
5	1.100
6	1.250
7	1.400
8	2.000
9	3.100
10	4.500

Construction Factors

Protection Class	Masonry/ Masonry Veneer	Frame
1	1.000	1.150
2	1.000	1.150
3	1.000	1.150
4	1.000	1.150
5	1.000	1.150
6	1.000	1.150
7	1.000	1.150
8	1.000	1.150
9	1.000	1.150
10	1.000	1.150

GrandProtect: Multiply the Platinum rate by 1.05

Refer to Manual, Coverage 19B for HO-2 Homeowners Factor

Superior Construction: Multiply Masonry Rate by .85

Market Value: Multiply by 1.25 (NOT available on Ultra & Platinum Homeowners)

* Ultra only available for existing Ultra renewal policies. Ultra is NOT available for new business.

** Platinum Flat Dollar Charge: Add \$75

GrandProtect Flat Dollar Charge: Add \$25 to the Platinum Flat Dollar Charge

METROPOLITAN PROPERTY AND CASUALTY INSURANCE COMPANY

ARKANSAS RESIDENTAL PROPERTY

Homeowners, HO-2 Homeowners, Market Value, Ultra, Platinum Homeowners, GrandProtect Homeowners,

Base Premiums - \$500 Deductible

Base Premiums

Coverage A Factors

Territory	Base Rate	Cov. A Amount	Homeowners & HO-2 Homeowners	Ultra*	Platinum Homeowners**	Cov. A Amount	Homeowners & HO-2 Homeowners	Ultra*	Platinum Homeowners**
18	968	\$30,000	0.470	0.536	0.616	\$190,000	1.144	1.144	1.270
19	1047	\$40,000	0.505	0.576	0.662	\$200,000	1.180	1.180	1.298
20	713	\$45,000	0.520	0.593	0.682	\$210,000	1.242	1.242	1.366
21	735	\$50,000	0.530	0.604	0.695	\$220,000	1.304	1.304	1.434
24	678	\$55,000	0.551	0.617	0.710	\$230,000	1.366	1.366	1.503
36	893	\$60,000	0.572	0.629	0.723	\$240,000	1.428	1.428	1.571
37	714	\$65,000	0.593	0.637	0.733	\$250,000	1.490	1.490	1.639
		\$70,000	0.614	0.644	0.741	\$260,000	1.554	1.554	1.709
		\$75,000	0.634	0.660	0.759	\$270,000	1.618	1.618	1.780
		\$80,000	0.655	0.675	0.776	\$280,000	1.682	1.682	1.850
		\$85,000	0.676	0.692	0.796	\$290,000	1.746	1.746	1.921
		\$90,000	0.697	0.708	0.814	\$300,000	1.810	1.810	1.991
		\$95,000	0.718	0.724	0.833	\$350,000	2.180	2.180	2.398
		\$100,000	0.739	0.739	0.850	\$400,000	2.511	2.511	2.762
		\$105,000	0.765	0.765	0.880	\$450,000	2.814	2.814	3.095
		\$110,000	0.791	0.791	0.910	\$500,000	3.190	3.190	3.509
		\$115,000	0.817	0.817	0.940	\$550,000	3.635	3.635	3.962
		\$120,000	0.843	0.843	0.969	\$600,000	4.070	4.070	4.396
		\$125,000	0.869	0.869	0.999	\$650,000	4.450	4.450	4.762
		\$130,000	0.896	0.896	1.030	\$700,000	4.850	4.850	5.141
		\$135,000	0.922	0.922	1.060	\$750,000	5.250	5.250	5.513
		\$140,000	0.948	0.948	1.090	\$800,000	5.620	5.620	5.901
		\$145,000	0.974	0.974	1.120	\$850,000	6.000	6.000	6.300
		\$150,000	1.000	1.000	1.150	\$900,000	6.400	6.400	6.720
		\$160,000	1.036	1.036	1.181	\$950,000	6.800	6.800	7.140
		\$170,000	1.072	1.072	1.211	\$1,000,000	7.150	7.150	7.508
		\$180,000	1.108	1.108	1.241	Ea. Add'l 10	0.070	0.070	0.074

Protection Class Factors

Protection Class	Factors
1	1.000
2	1.000
3	1.000
4	1.100
5	1.100
6	1.200
7	1.500
8	2.000
9	3.500
10	5.000

Construction Factors

Protection Class	Masonry/Masonry Veneer	Frame
1	1.000	1.150
2	1.000	1.150
3	1.000	1.150
4	1.000	1.150
5	1.000	1.150
6	1.000	1.150
7	1.000	1.150
8	1.000	1.150
9	1.000	1.150
10	1.000	1.150

GrandProtect: Multiply the Platinum rate by 1.05

Refer to Manual, Coverage 19B for HO-2 Homeowners Factor

Superior Construction: Multiply Masonry Rate by .85

Market Value: Multiply by 1.25 (NOT available on Ultra & Platinum Homeowners)

* Ultra only available for existing Ultra renewal policies. Ultra is NOT available for new business.

** Platinum Flat Dollar Charge: Add \$75

GrandProtect Flat Dollar Charge: Add \$25 to the Platinum Flat Dollar Charge

METROPOLITAN PROPERTY AND CASUALTY INSURANCE COMPANY

ARKANSAS RESIDENTAL PROPERTY

Homeowners, HO-2 Homeowners (former Dwelling Fire business only)

Base Premiums - \$500 Deductible

Base Premiums

Territory	Base Rate
11	559
12	559
13	558
14	558
15	559
16	558
17	559
22	558
23	560
31	561
32	559
33	559
34	561
35	557
38	559

Coverage A Factors

Cov. A Amount	Homeowners & HO-2 Homeowners
\$30,000	0.376
\$40,000	0.429
\$45,000	0.456
\$50,000	0.482
\$55,000	0.508
\$60,000	0.534
\$65,000	0.560
\$70,000	0.586
\$75,000	0.612
\$80,000	0.638
\$85,000	0.664
\$90,000	0.689
\$95,000	0.715
\$100,000	0.741
\$105,000	0.767
\$110,000	0.793
\$115,000	0.819
\$120,000	0.845
\$125,000	0.871
\$130,000	0.897
\$135,000	0.923
\$140,000	0.949
\$145,000	0.975
\$150,000	1.000
\$160,000	1.052
\$170,000	1.104
\$180,000	1.156

Cov. A Amount	Homeowners & HO-2 Homeowners
\$190,000	1.208
\$200,000	1.259
\$210,000	1.311
\$220,000	1.363
\$230,000	1.415
\$240,000	1.467
\$250,000	1.518
\$260,000	1.570
\$270,000	1.622
\$280,000	1.674
\$290,000	1.726
\$300,000	1.777
\$350,000	2.037
\$400,000	2.297
\$450,000	2.557
\$500,000	2.817
\$550,000	3.077
\$600,000	3.337
\$650,000	3.597
\$700,000	3.857
\$750,000	4.117
\$800,000	4.377
\$850,000	4.637
\$900,000	4.897
\$950,000	5.157
\$1,000,000	5.417
Ea. Add'l 10	0.052

Protection Class Factors

Protection Class	Factors
1	1.000
2	1.000
3	1.000
4	1.100
5	1.100
6	1.250
7	1.400
8	2.000
9	3.100
10	4.500

Construction Factors

Protection Class	Masonry/ Masonry Veneer	Frame
1	1.000	1.150
2	1.000	1.150
3	1.000	1.150
4	1.000	1.150
5	1.000	1.150
6	1.000	1.150
7	1.000	1.150
8	1.000	1.150
9	1.000	1.150
10	1.000	1.150

Refer to Manual, Coverage 19B for HO-2 Homeowners Factor

Superior Construction: Multiply Masonry Rate by .85

* Refers to all Dwelling Fire business with an application written date prior to May 31, 2004.

METROPOLITAN PROPERTY AND CASUALTY INSURANCE COMPANY

ARKANSAS RESIDENTAL PROPERTY

Homeowners, HO-2 Homeowners (former Dwelling Fire business only)

Base Premiums - \$500 Deductible

Base Premiums

Territory	Base Rate
18	558
19	559
20	561
21	558
24	559
36	559
37	559

Coverage A Factors

Cov. A Amount	Homeowners & HO-2 Homeowners
\$30,000	0.376
\$40,000	0.429
\$45,000	0.456
\$50,000	0.482
\$55,000	0.508
\$60,000	0.534
\$65,000	0.560
\$70,000	0.586
\$75,000	0.612
\$80,000	0.638
\$85,000	0.664
\$90,000	0.689
\$95,000	0.715
\$100,000	0.741
\$105,000	0.767
\$110,000	0.793
\$115,000	0.819
\$120,000	0.845
\$125,000	0.871
\$130,000	0.897
\$135,000	0.923
\$140,000	0.949
\$145,000	0.975
\$150,000	1.000
\$160,000	1.052
\$170,000	1.104
\$180,000	1.156

Cov. A Amount	Homeowners & HO-2 Homeowners
\$190,000	1.208
\$200,000	1.259
\$210,000	1.311
\$220,000	1.363
\$230,000	1.415
\$240,000	1.467
\$250,000	1.518
\$260,000	1.570
\$270,000	1.622
\$280,000	1.674
\$290,000	1.726
\$300,000	1.777
\$350,000	2.037
\$400,000	2.297
\$450,000	2.557
\$500,000	2.817
\$550,000	3.077
\$600,000	3.337
\$650,000	3.597
\$700,000	3.857
\$750,000	4.117
\$800,000	4.377
\$850,000	4.637
\$900,000	4.897
\$950,000	5.157
\$1,000,000	5.417
Ea. Add'l 10	0.052

Protection Class Factors

Protection Class	Factors
1	1.000
2	1.000
3	1.000
4	1.100
5	1.100
6	1.200
7	1.500
8	2.000
9	3.500
10	5.000

Construction Factors

Protection Class	Masonry/ Masonry Veneer	Frame
1	1.000	1.150
2	1.000	1.150
3	1.000	1.150
4	1.000	1.150
5	1.000	1.150
6	1.000	1.150
7	1.000	1.150
8	1.000	1.150
9	1.000	1.150
10	1.000	1.150

Refer to Manual, Coverage 19B for HO-2 Homeowners Factor

Superior Construction: Multiply Masonry Rate by .85

* Refers to all Dwelling Fire business with an application written date prior to May 31, 2004.

METROPOLITAN PROPERTY AND CASUALTY INSURANCE COMPANY

ARKANSAS RESIDENTAL PROPERTY

Renters, Platinum Renters, Condominium, Platinum Condominium, Landlord's Condominium
GrandProtect Renters, GrandProtect Condominium, GrandProtect Landlord's Condominium

Base Premiums - \$500 Deductible

Base Premiums		Protection Class Factors		Coverage C Factors			
Territory	Base Rate	Protection Class	Factor	Coverage C Amount	Factor	Coverage C Amount	Factor
11	179	1	1.000	\$10,000	0.770	\$48,000	2.214
12	179	2	1.000	\$11,000	0.816	\$50,000	2.280
13	186	3	1.000	\$12,000	0.862	\$55,000	2.445
14	179	4	1.000	\$13,000	0.908	\$60,000	2.610
15	179	5	1.100	\$14,000	0.954	\$65,000	2.775
16	179	6	1.100	\$15,000	1.000	\$70,000	2.940
17	179	7	1.250	\$16,000	1.042	\$75,000	3.105
18	181	8	1.250	\$17,000	1.084	\$80,000	3.270
19	186	9	1.600	\$18,000	1.126	\$85,000	3.435
20	179	10	1.900	\$19,000	1.168	\$90,000	3.600
21	182			\$20,000	1.210	\$95,000	3.765
22	179			\$22,000	1.282	\$100,000	3.930
23	179			\$24,000	1.354	\$105,000	4.095
24	179			\$26,000	1.426	\$110,000	4.260
31	179			\$28,000	1.498	\$115,000	4.425
32	186			\$30,000	1.570	\$120,000	4.590
33	179			\$32,000	1.646	\$125,000	4.755
34	179			\$34,000	1.722	\$130,000	4.920
35	179			\$36,000	1.798	\$135,000	5.085
36	181			\$38,000	1.874	\$140,000	5.250
37	181			\$40,000	1.950	\$145,000	5.415
38	179			\$42,000	2.016	\$150,000	5.580
				\$44,000	2.082	Each Add'l	
				\$46,000	2.148	\$1,000	0.033

Occupancy Factors	
Occupancy	Factor
1-4 Units	0.85
5 or more	1.00

Product Factors	
Form	Factor
Renters	1.00
Platinum Renters*	1.25
Condo	0.67
Platinum Condo*	0.84
Landlord's Condo	1.70

GrandProtect Renters and Condo: Multiply Platinum Renters and Condo by 1.05

GrandProtect Landlord's Condo: Multiply Landlord's Condo by 1.20

Fire Resistive Construction: Multiply by 0.85

*Platinum Flat Amount: \$35

GrandProtect Renters and Condo Flat Amount: Add \$15 to the Platinum Flat Amount

GrandProtect Landlord's Condo Flat Amount: \$30

METROPOLITAN PROPERTY AND CASUALTY INSURANCE COMPANY
ECONOMY PREMIER ASSURANCE COMPANY
ARKANSAS RESIDENTIAL PROPERTY MANUAL

COVERAGE 13 - BACKUP OF SEWER, DRAIN AND SUMP PUMP

This coverage may be provided subject to the following charge:

Limit	Platinum Products GrandProtect Products Additional Charge	All Other Products Additional Charge
\$2,000*	-	\$30
\$5,000*	-	\$50
\$10,000**	Included	\$70
\$25,000**	\$25	\$95
\$50,000**	\$40	\$110
\$100,000**	\$120	\$190
\$250,000**	\$200	\$270
Policy Limit**	\$400+	\$135++

* A \$500 deductible applies.

** A \$1,000 deductible applies.

+ Not available on GrandProtect Landlord's Rental Dwelling, GrandProtect Landlord's Condominium or GrandProtect Mobile Homeowners.

++ Only available for renewal business presently with this limit.

When this coverage is attached at inception, renewal or anniversary date, a 5 day waiting period will apply before coverage is provided. If this coverage is endorsed to the policy at any time other than previously stated, a 30 day waiting period applies.

SERFF Tracking Number: METX-125497127 State: Arkansas
Filing Company: Metropolitan Property and Casualty Insurance State Tracking Number: EFT \$125
Company
Company Tracking Number: HO AR0004001R01
TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations
Product Name: Homeowners Program
Project Name/Number: /HO AR0004001R01

Supporting Document Schedules

Satisfied -Name: Uniform Transmittal Document-Property & Casualty **Review Status:** Filed 02/22/2008

Comments:

Attachment:

AR - NAIC P&C TRANSMITTAL DOCUMENT.PDF

Satisfied -Name: HPCS-Homeowners Premium Comparison Survey **Review Status:** Filed 02/22/2008

Comments:

We are e-mailing an ex-cel version of the HPCS-Homeowners Premium Comparison Survey to Becky Harrington.

Attachment:

MPC HPCS Prem Comp Survey.PDF

Satisfied -Name: Filing Introduction **Review Status:** Filed 02/22/2008

Comments:

Attachment:

Filing Introduction.PDF

Satisfied -Name: Cover Letter **Review Status:** Filed 02/22/2008

Comments:

Attachment:

Cover Letter.PDF

Satisfied -Name: Rate Change Exhibit, Rate Change by Territory, Coverage A Factor Change, Sewer Sump, Rate Level Indications, Cat Allowance, Loss **Review Status:** Filed 02/22/2008

SERFF Tracking Number: METX-125497127 State: Arkansas
Filing Company: Metropolitan Property and Casualty Insurance State Tracking Number: EFT \$125
Company
Company Tracking Number: HO AR0004001R01
TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations
Product Name: Homeowners Program
Project Name/Number: /HO AR0004001R01
and Premium Trend, Loss
Development Factors, Expense
Exhibit

Comments:

Filing Exhibits

Attachments:

Rate Change Exhibit.PDF
Rate Change by Territory.PDF
Coverage A Factor Change.PDF
Sewer Sump.PDF
Rate Level Indications.PDF
Cat Allowance.PDF
Loss and Premium Trend.PDF
Loss Development Factors.PDF
Expense Exhibit.PDF

SERFF Tracking Number: METX-125497127 State: Arkansas
Filing Company: Metropolitan Property and Casualty Insurance State Tracking Number: EFT \$125
Company
Company Tracking Number: HO AR0004001R01
TOI: 04.0 Homeowners Sub-TOI: 04.0000 Homeowners Sub-TOI Combinations
Product Name: Homeowners Program
Project Name/Number: /HO AR0004001R01

Review Status:
Satisfied -Name: Sewer Sump Pump Exposures Filed 02/22/2008
Comments:
Attachment:
Sewer Sump Pump Exposures.PDF

Review Status:
Satisfied -Name: Form RF-1 Filed 02/22/2008
Comments:
Attachment:
Form RF-1.PDF

Review Status:
Satisfied -Name: Objection Response Letter 2/21/08 Filed 02/22/2008
Comments:
Response to Objection Letter 2/21/08
Attachment:
Objection Response Letter 2_21_08.PDF

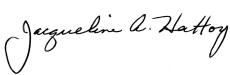
Property & Casualty Transmittal Document

1. Reserved for Insurance Dept. Use Only	2. Insurance Department Use only	
	a. Date the filing is received:	
	b. Analyst:	
	c. Disposition:	
	d. Date of disposition of the filing:	
	e. Effective date of filing:	
	New Business	
	Renewal Business	
	f. State Filing #:	
g. SERFF Filing #:		
h. Subject Codes		

3. Group Name	Metropolitan Property and Casualty Insurance Company				Group NAIC #	241
4. Company Name(s)	Domicile	NAIC #	FEIN #	State #		
Metropolitan Property and Casualty Insurance Company	RI	26298	13-2725441			

5. Company Tracking Number	HO AR0004001R01
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Contact Info of Filer(s) or Corporate Officer(s) [include toll-free number]

6. Name and address	Title	Telephone #s	FAX #	e-mail
Jacqueline A. Hattoy 700 Quaker Lane Warwick RI 02887	Sr. State Filing Specialist	800-257-5049	401-827-3929	jhattory@metlife.com
7. Signature of authorized filer				
8. Please print name of authorized filer	Jacqueline A. Hattoy			

Filing Information (see General Instructions for descriptions of these fields)

9. Type of Insurance (TOI)	04.0 Homeowners			
10. Sub-Type of Insurance (Sub-TOI)	04.0000 Homeowners Sub-TOI Combinations			
11. State Specific Product code(s) (if applicable) [See State Specific Requirements]				
12. Company Program Title (Marketing Title)				
13. Filing Type	<input type="checkbox"/> Rate/Loss Cost <input type="checkbox"/> Rules <input checked="" type="checkbox"/> Rates/Rules <input type="checkbox"/> Forms <input type="checkbox"/> Combination Rates/Rules/Forms <input type="checkbox"/> Withdrawal <input type="checkbox"/> Other (give description)			
14. Effective Date(s) Requested	New:	03/15/2008	Renewal:	04/19/2008
15. Reference Filing?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
16. Reference Organization (if applicable)				
17. Reference Organization # & Title				
18. Company's Date of Filing				
19. Status of filing in domicile	<input checked="" type="checkbox"/> Not Filed <input type="checkbox"/> Pending <input type="checkbox"/> Authorized <input type="checkbox"/> Disapproved			

Property & Casualty Transmittal Document

20.	This filing transmittal is part of Company Tracking #	HO AR0004001R01
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21.	Filing Description [This area can be used in lieu of a cover letter or filing memorandum and is free-form text]
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AR MetP&C Rate and Rule revision. Please refer to the filing introduction for details.

[illegible]

***Refer to each state's checklist for additional specific requirements (i.e. # of additional copies required, other state specific forms, etc.)

NAIC Number: 26298
 Company Name: Metropolitan Property and Casualty Insurance Company
 Contact Person: Richard E. Collard
 Telephone No.: (800)257-5049
 Email Address: rcollard@metlife.com
 Effective Date: 4/23/2007(NB) 5/29/2007(RB)

**Homeowners Premium Comparison Survey Form
 FORM HPCS - last modified August, 2005**

Submit to: Arkansas Insurance Department
 1200 West Third Street
 Little Rock, AR 72201-1904
 Telephone: 501-371-2800
 Email as an attachment to insurance.pnc@arkansas.gov
 You may also attach to a SERFF filing or submit on a cdr disk

**USE THE APPROPRIATE FORM BELOW - IF NOT APPLICABLE, LEAVE
 BLANK**

Survey Form for HO3 (Homeowners) - Use \$500 Flat Deductible (Covers risk of direct physical loss for dwelling and other structures; named perils for personal property, replacement cost on dwelling, actual cash value on personal property)

Public Protection Class	Dwelling Value	Washington		Baxter		Craighead		St. Francis		Desha		Union		Miller		Sebastian		Pulaski	
		Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame
3	\$80,000	\$468	\$538	\$531	\$611	\$871	\$1,002	\$828	\$953	\$828	\$953	\$606	\$697	\$714	\$821	\$528	\$607	\$585	\$673
	\$120,000	\$602	\$692	\$684	\$787	\$1,121	\$1,289	\$1,066	\$1,226	\$1,066	\$1,226	\$780	\$897	\$918	\$1,056	\$679	\$781	\$753	\$866
	\$160,000	\$740	\$851	\$840	\$966	\$1,377	\$1,583	\$1,310	\$1,506	\$1,310	\$1,506	\$958	\$1,102	\$1,128	\$1,297	\$834	\$959	\$925	\$1,064
6	\$80,000	\$562	\$646	\$664	\$764	\$1,089	\$1,252	\$1,035	\$1,191	\$1,035	\$1,191	\$758	\$871	\$892	\$1,026	\$659	\$758	\$702	\$808
	\$120,000	\$723	\$831	\$855	\$983	\$1,401	\$1,611	\$1,333	\$1,532	\$1,333	\$1,532	\$975	\$1,121	\$1,148	\$1,320	\$849	\$976	\$904	\$1,039
	\$160,000	\$888	\$1,021	\$1,050	\$1,208	\$1,721	\$1,979	\$1,637	\$1,882	\$1,637	\$1,882	\$1,198	\$1,378	\$1,410	\$1,622	\$1,042	\$1,199	\$1,110	\$1,277
9	\$80,000	\$1,638	\$1,883	\$1,648	\$1,895	\$2,700	\$3,105	\$2,568	\$2,953	\$2,568	\$2,953	\$1,879	\$2,161	\$2,212	\$2,544	\$1,635	\$1,881	\$2,048	\$2,356
	\$120,000	\$2,108	\$2,424	\$2,120	\$2,438	\$3,475	\$3,996	\$3,305	\$3,800	\$3,305	\$3,800	\$2,418	\$2,781	\$2,847	\$3,274	\$2,105	\$2,420	\$2,636	\$3,031
	\$160,000	\$2,589	\$2,977	\$2,605	\$2,995	\$4,268	\$4,908	\$4,059	\$4,668	\$4,059	\$4,668	\$2,971	\$3,416	\$3,497	\$4,022	\$2,585	\$2,973	\$3,238	\$3,724

Survey Form for HO4 (Renters) - Use \$500 Flat Deductible (Named perils for personal property, actual cash value for loss, liability and medical payments for others included)

Public Protection Class	Property Value	Washington		Baxter		Craighead		St. Francis		Arkansas		Union		Miller		Sebastian		Pulaski	
		Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame
3	\$5,000	\$139	\$139	\$138	\$138	\$143	\$143	\$138	\$138	\$138	\$138	\$138	\$138	\$138	\$138	\$138	\$138	\$139	\$139
	\$15,000	\$181	\$181	\$179	\$179	\$186	\$186	\$179	\$179	\$179	\$179	\$179	\$179	\$179	\$179	\$179	\$179	\$181	\$181
	\$25,000	\$252	\$252	\$249	\$249	\$259	\$259	\$249	\$249	\$249	\$249	\$249	\$249	\$249	\$249	\$249	\$249	\$252	\$252
6	\$5,000	\$153	\$153	\$152	\$152	\$158	\$158	\$152	\$152	\$152	\$152	\$152	\$152	\$152	\$152	\$152	\$152	\$153	\$153
	\$15,000	\$199	\$199	\$197	\$197	\$205	\$205	\$197	\$197	\$197	\$197	\$197	\$197	\$197	\$197	\$197	\$197	\$199	\$199
	\$25,000	\$277	\$277	\$274	\$274	\$284	\$284	\$274	\$274	\$274	\$274	\$274	\$274	\$274	\$274	\$274	\$274	\$277	\$277
9	\$5,000	\$223	\$223	\$221	\$221	\$229	\$229	\$221	\$221	\$221	\$221	\$221	\$221	\$221	\$221	\$221	\$221	\$223	\$223
	\$15,000	\$290	\$290	\$286	\$286	\$298	\$298	\$286	\$286	\$286	\$286	\$286	\$286	\$286	\$286	\$286	\$286	\$290	\$290
	\$25,000	\$403	\$403	\$398	\$398	\$414	\$414	\$398	\$398	\$398	\$398	\$398	\$398	\$398	\$398	\$398	\$398	\$403	\$403

Survey Form for DP-2 (Dwelling/Fire) - Use \$500 Flat Deductible (Named perils for dwelling and personal property; replacement cost for dwelling, actual cash value for personal property, no liability coverage)

Public Protection Class	Dwelling Value	Washington		Baxter		Craighead		St. Francis		Arkansas		Union		Miller		Sebastian		Pulaski	
		Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame	Brick	Frame
3	\$80,000																		
	\$120,000																		
	\$160,000																		
6	\$80,000																		
	\$120,000																		
	\$160,000																		
9	\$80,000																		
	\$120,000																		
	\$160,000																		

SPECIFY THE PERCENTAGE GIVEN FOR CREDITS OR DISCOUNTS FOR THE FOLLOWING:

HO3 and HO4 only

Fire Extinguisher	0-5 %	Deadbolt Lock	0-5 %
Burglar Alarm	5 %	Window Locks	%
Smoke Alarm	0-5 %	\$1,000 Deductible	12 %
		Other (specify)	
		Automatic Sprinkler	10 %
		Maximum Credit Allowed	20 %

EARTHQUAKE INSURANCE

IMPORTANT, homeowners insurance does NOT automatically cover losses from earthquakes. Ask your agent about this cov

ARE YOU CURRENTLY WRITING EARTHQUAKE COVERAGE IN ARKANSAS? yes (yes or no)
 WHAT IS YOUR PERCENTAGE DEDUCTIBLE? 10-15 %

Zone	Brick	Frame
Highest Risk	\$ 1.00	\$ 0.41
Lowest Risk	\$ 0.76	\$ 0.29

METROPOLITAN PROPERTY AND CASUALTY INSURANCE COMPANY

Arkansas Residential Property Program

Introduction

Metropolitan Property and Casualty Insurance Company is implementing an overall rate level change of 2.5%. The following changes will be implemented for new business written on and after March 15, 2008, and for renewal business effective on and after April 19, 2008.

Summary of Rate Change:

<u>Policy</u>	<u>Change</u>
Owners Forms Total	2.7%
Renters/Condo Forms Total	2.3%
Total Owners, Renters/Condo	2.7%
 Landlords Rental Dwelling Total	 0.4%
 Dwelling/Fire Total	 2.5%
 TOTAL	 2.5%

Summary:

1. Base rates have been revised for Owners and Renters/Condominium
2. Coverage A amount factors have been revised.
3. New Limits for Optional Coverage 13-Backup of Sewer Drain or Sump Pump has been introduced and also rates have been revised.

MetLife Auto & Home®
700 Quaker Lane
Warwick, RI 02887



February 19, 2008

The Honorable Julie Benafield Bowman
Commissioner of Insurance
Arkansas Insurance Department
1200 West Third Street
Little Rock, Arkansas 72201-1904

RE: METROPOLITAN PROPERTY AND CASUALTY INSURANCE COMPANY
Residential Property Program
Rate and Rule Revision

Dear Commissioner Benafield Bowman:

In accordance with Arkansas Insurance Laws, Metropolitan Property and Casualty Insurance Company hereby submits a revision of its Residential Property Program's rates and rules. The attached Introduction and Exhibits explain the revision in greater detail.

We propose to implement these changes with respect to new business written on and after March 15, 2008 and with respect to renewal business effective on and after April 19, 2008.

If you have any questions regarding this SERFF submission, an objection letter report should be submitted through SERFF to Jacqueline Hattoy. In addition, Jacqueline Hattoy can be reached by telephone at (401) 827-2949 or by e-mail at jhattoy@metlife.com.

Sincerely,

A handwritten signature in black ink that reads "Richard E. Collard". The signature is written in a cursive, slightly slanted style.

Richard E. Collard
Manager
State Filings

Metropolitan Property and Casualty Company

Homeowners Rate Change

Arkansas

<u>Policy</u>	<u>Base Rate</u>	<u>Protection Class</u>	<u>Coverage Amount</u>	<u>Construction/ Occupancy</u>	<u>Deductible</u>	<u>Discount/ Surcharge</u>	<u>Opt Cvrg Sewer Sump</u>	<u>Total Change</u>
VIP/HO-2	2.1%	0.0%	3.1%	0.0%	0.0%	0.0%	0.1%	5.5%
Market Value	2.2%	0.0%	4.8%	0.0%	0.0%	0.0%	1.3%	8.4%
Homeowners	2.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.8%	3.3%
Ultra	2.5%	0.0%	-0.5%	0.0%	0.0%	0.0%	1.3%	3.3%
Platinum Homeowners	2.9%	0.0%	-1.6%	0.0%	0.0%	0.0%	0.0%	1.3%
GrandProtect Homeowners	2.4%	0.0%	-1.6%	0.0%	0.0%	0.0%	0.1%	0.9%
Owners Forms Total	2.5%	0.0%	-0.5%	0.0%	0.0%	0.0%	0.6%	2.6%
Renters	1.3%	0.0%	0.0%	0.0%	0.0%	0.0%	1.2%	2.5%
Condo	1.6%	0.0%	0.0%	0.0%	0.0%	0.0%	1.6%	3.2%
Platinum Renters	1.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.3%	1.4%
Platinum Condo	0.6%	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%	0.7%
GrandProtect Renters	1.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	1.5%
GrandProtect Condo	2.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.2%	2.1%
Landlords Condo	1.2%	0.0%	0.0%	0.0%	0.0%	0.0%	1.4%	2.7%
GrandProtect Landlords Condo	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Renters/Condo Forms Total	1.4%	0.0%	0.0%	0.0%	0.0%	0.0%	1.1%	2.5%
Total Owners, Renters/Condo	2.5%	0.0%	-0.5%	0.0%	0.0%	0.0%	0.7%	2.6%
Landlord's Rental Dwelling	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.4%	0.4%
GrandProtect Landlords Rental Dwelling	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%	0.1%
Landlords Rental Dwelling Total	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.4%	0.4%
Mobile Home	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
GrandProtect Mobilehome	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Mobile Home Total	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Dwelling/Fire Total	2.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	2.5%
All Forms Total	2.3%	0.0%	-0.4%	0.0%	0.0%	0.0%	0.6%	2.5%

Homeowners Rate Change

Total

Total	2.6%	2.5%	0.4%	0.0%	2.5%	2.6%	2.5%
-------	------	------	------	------	------	------	------

Metropolitan Property and Casualty Insurance Company

Arkansas Residential Property Program

Homeowners Coverage A Amount Relativity Changes

<u>Coverage A</u> <u>(in ,000's)</u>	<u>Current</u> <u>Relativity</u>	<u>Revised</u> <u>Relativity</u>	<u>Change</u>
50	0.50	0.53	5.9%
100	0.72	0.74	2.7%
150	1.00	1.00	0.0%
200	1.18	1.18	0.0%
250	1.49	1.49	0.0%
300	1.81	1.81	0.0%
350	2.18	2.18	0.0%
400	2.55	2.51	-1.5%
450	2.92	2.81	-3.7%
500	3.29	3.19	-3.0%
550	3.75	3.64	-3.1%
600	4.20	4.07	-3.1%
650	4.60	4.45	-3.3%
700	5.00	4.85	-3.0%
750	5.40	5.25	-2.8%
800	5.80	5.62	-3.1%
850	6.20	6.00	-3.2%
900	6.60	6.40	-3.0%
950	7.00	6.80	-2.9%
1000	7.40	7.15	-3.4%

The changes in the Homeowners Coverage A amount relativities also impact the Ultra, Platinum, and GrandProtect Coverage A amount relativities.

Metropolitan Property and Casualty Insurance Company

Arkansas Residential Property Program

Backup of Sewer, Drain Sump Pump Rate Comparison

Limit					Competitor's Rates							
					AR	TN	OK	MS		MO		KS
	Met Current		Met Proposed		Nationwide Insurance	Hartford	Allstate	Farmers	Travelers	American Family	Travelers	Allstate
	Platinum & Grand Protect	Other Products	Platinum & Grand Protect	Other Products						Unlimited		
2,000*	-	25	-	30	N/A	N/A	N/A	N/A	25	N/A	N/A	N/A
5,000*	-	30	-	50	33	50	111	30	N/A	50	50	40
10,000**	Incl	37	Incl	70	53	80	200	80	45	70	90	79
25,000**	\$23	\$50	\$25	\$95	\$142	N/A	\$273	N/A	N/A	\$88	N/A	\$122
50,000**	\$35	\$65	\$40	\$110	\$268	N/A	N/A	N/A	N/A	N/A	N/A	N/A
100,000**	N/A	N/A	\$120	\$190	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
250,000**	N/A	N/A	\$200	\$270	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Policy**	\$50	\$75	\$400	\$135	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

*\$500 Deductible

**\$1,000 Deductible

Metropolitan Property and Casualty Company
Arkansas
HOMEOWNERS RATE LEVEL INDICATIONS

Acc Year Ending	Exposures	Earned Premium	On-Level Factor	Premium Trend	Adjusted Earned Premium	Developed Acc Year Incurred Losses (with ALAE)	Developed Catastrophe Losses	Loss Trend
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
6/03	847	\$585,803	1.0623	1.2649	\$787,170	\$235,910	\$10,597	1.3599
6/04	932	\$757,524	0.9798	1.2186	\$904,441	\$502,848	\$51,121	1.2952
6/05	1,190	\$990,054	0.9769	1.1740	\$1,135,426	\$424,964	\$7,278	1.2335
6/06	1,923	\$1,627,828	0.9723	1.1310	\$1,790,083	\$2,085,967	\$1,044,495	1.1748
6/07	2,910	\$2,694,769	0.9950	1.0896	\$2,921,621	\$952,686	\$71,770	1.1188
Total	7,801	\$6,655,977	0.9909	1.1430	\$7,538,742	\$4,202,374	\$1,185,260	1.1984

Acc Year Ending	Acc Year Incurred Excluding Cats	Hurricane Catastrophe Allowance	Catastrophe Allowance	ULAE Factor	Adjusted Incurred Losses	Reinsurance Allowance	Adjusted Loss Ratio	5 Year Weight
	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
6/03	\$306,414	0.0%	1.220	1.094	\$408,965	0.0%	52.0%	10%
6/04	\$585,071	0.0%	1.220	1.094	\$780,882	0.0%	86.3%	15%
6/05	\$515,220	0.0%	1.220	1.094	\$687,654	0.0%	60.6%	20%
6/06	\$1,223,493	0.0%	1.220	1.094	\$1,632,971	0.0%	91.2%	25%
6/07	\$985,596	0.0%	1.220	1.094	\$1,315,455	0.0%	45.0%	30%
Total	\$3,615,793				\$4,825,927			

Average Adjusted Loss Ratio	Credibility	Permissible Loss Ratio	Credibility Weighted Loss Ratio	Flat Expense Provision	Flat Expense Trend Factor	Indicated Change
(17)	(18)	(19)	(20)	(21)	(22)	(23)
66.6%	44.2%	62.3%	64.2%	13.6%	1.05	3.4%

**Metropolitan Property and Casualty Company
Arkansas Homeowners Catastrophe Experience**

All Forms

Undeveloped Incurred Losses & ALAE

Accident Year Ending	Total Cat	Non-Cat	Total Ratio
6/88	0	595,666	0.0%
6/89	576,114	677,222	85.1%
6/90	172,511	575,419	30.0%
6/91	56,578	699,345	8.1%
6/92	33,102	708,555	4.7%
6/93	6,157	319,420	1.9%
6/94	30,476	665,112	4.6%
6/95	31,921	405,629	7.9%
6/96	165,936	389,178	42.6%
6/97	18,796	438,217	4.3%
6/98	19,917	154,728	12.9%
6/99	53,630	413,596	13.0%
6/00	18,927	101,290	18.7%
6/01	47,443	454,374	10.4%
6/02	4,760	121,945	3.9%
6/03	10,597	225,313	4.7%
6/04	50,982	450,394	11.3%
6/05	7,255	416,282	1.7%
6/06	1,040,331	1,035,654	100.5%
6/07	67,629	828,536	8.2%
20 yr. Totals	2,413,062	9,675,875	24.9%

Selected: 22.0%

Metropolitan Property and Casualty Company
Countrywide

Calculation of **Loss Trend Factors**
Using Developed Non-Cat Pure Premium

Period Ending	Avg. Pure Premium (Developed)	Annual Change
Sep-03	239.98	N/A
Dec-03	239.73	N/A
Mar-04	233.81	N/A
Jun-04	240.05	N/A
Sep-04	239.22	0.997
Dec-04	240.84	1.005
Mar-05	241.70	1.034
Jun-05	238.29	0.993
Sep-05	247.67	1.035
Dec-05	252.09	1.047
Mar-06	247.24	1.023
Jun-06	245.01	1.028
Sep-06	245.77	0.992
Dec-06	256.66	1.018
Mar-07	277.42	1.122
Jun-07	280.47	1.145
8 points	7.2%	
12 points	5.1%	
16 points	3.6%	
Selected	5.0%	

Accident Year Ending	Avg. Pure Premium (Developed)	Loss Trend Factor
Jun-03	237.32	1.360
Jun-04	240.05	1.295
Jun-05	238.29	1.234
Jun-06	245.01	1.175
Jun-07	280.47	1.119

The MidPoint of the Underlying period is 12/31/06.

The expected renewal date of the rate change is 04/19/08.

Therefore, the projection time period for the average pure premium is 2.30 yrs.

Metropolitan Property and Casualty Company
Arkansas

Calculation of Premium Trend Factors
Using Average Earned Premium (On-Level)

Period Ending	Avg Earn. Premium (On Level)	Annual Change
Sep-03	755.58	N/A
Dec-03	767.27	N/A
Mar-04	783.34	N/A
Jun-04	796.49	N/A
Sep-04	804.77	1.065
Dec-04	813.56	1.060
Mar-05	810.93	1.035
Jun-05	806.21	1.012
Sep-05	797.16	0.991
Dec-05	790.62	0.972
Mar-06	797.94	0.984
Jun-06	813.31	1.009
Sep-06	836.65	1.050
Dec-06	865.39	1.095
Mar-07	891.43	1.117
Jun-07	914.93	1.125
12 points	4.2%	
16 points	3.7%	
Selected	3.8%	

Accident Year Ending	Avg Earn. Premium (On Level)	Premium Trend Factor
Jun-03	734.34	1.265
Jun-04	796.49	1.219
Jun-05	806.21	1.174
Jun-06	813.31	1.131
Jun-07	914.93	1.090

The MidPoint of the Underlying period is 12/31/06.

The expected renewal date of the rate change is 04/19/08.

Therefore, the projection time period for the average earned premium is 2.30 yrs.

Metropolitan Property and Casualty Company

OWNERS Loss Development

Arkansas, Incurred Losses (Excluding Catastrophes)

Accident Year <u>Ending</u>	<u>Months of Development</u>					
	<u>12</u>	<u>24</u>	<u>36</u>	<u>48</u>	<u>60</u>	<u>Over 60</u>
6 / 1998					149,592	149,592
6 / 1999				380,980	384,292	408,845
6 / 2000			100,628	100,628	100,628	100,628
6 / 2001		451,062	452,648	452,648	452,648	452,648
6 / 2002	95,281	111,336	112,146	112,146	112,146	112,146
6 / 2003	125,597	139,225	139,224	144,224	154,224	
6 / 2004	466,930	444,372	444,372	444,372		
6 / 2005	399,718	410,512	410,512			
6 / 2006	969,752	1,003,300				
6 / 2007	802,452					

Accident Year <u>Ending</u>	<u>Development Factors</u>				
	<u>12-24</u>	<u>24-36</u>	<u>36-48</u>	<u>48-60</u>	<u>Over 60</u>
6 / 1998					1.000
6 / 1999				1.009	1.064
6 / 2000			1.000	1.000	1.000
6 / 2001		1.004	1.000	1.000	1.000
6 / 2002	1.169	1.007	1.000	1.000	1.000
6 / 2003	1.109	1.000	1.036	1.069	
6 / 2004	0.952	1.000	1.000		
6 / 2005	1.027	1.000			
6 / 2006	1.035				

Arkansas Average	1.058	1.002	1.007	1.016	1.013
THREE YR AVG	1.004	1.000	1.012	1.023	1.000
AVG EX HI/LO	1.057	1.001	1.000	1.003	1.000
WEIGHTED AVG	1.025	1.002	1.004	1.011	1.020
COUNTRYWIDE Selected	1.110	1.020	1.009	1.002	1.004

	<u>Selected Factors</u>				
	<u>12-24</u>	<u>24-36</u>	<u>36-48</u>	<u>48-60</u>	<u>60-ULT</u>
Arkansas Selected	1.057	1.001	1.000	1.003	1.000
Projected to Ultimate	1.061	1.004	1.003	1.003	1.000

Metropolitan Property and Casualty Company

RENTERS & CONDO Loss Development

Arkansas, Incurred Losses (Excluding Catastrophes)

Accident Year <u>Ending</u>	<u>Months of Development</u>					
	<u>12</u>	<u>24</u>	<u>36</u>	<u>48</u>	<u>60</u>	<u>Over 60</u>
6 / 1998					5,135	5,135
6 / 1999				4,753	4,753	4,753
6 / 2000			660	660	660	660
6 / 2001		1,727	1,727	1,727	1,727	1,727
6 / 2002	3,537	9,802	9,802	9,802	9,802	9,802
6 / 2003	27,206	71,088	71,088	71,088	71,088	
6 / 2004	6,022	6,022	6,022	6,022		
6 / 2005	5,772	5,772	5,772			
6 / 2006	31,850	32,353				
6 / 2007	26,083					

Accident Year <u>Ending</u>	<u>Development Factors</u>				
	<u>12-24</u>	<u>24-36</u>	<u>36-48</u>	<u>48-60</u>	<u>Over 60</u>
6 / 1998					1.000
6 / 1999				1.000	1.000
6 / 2000			1.000	1.000	1.000
6 / 2001		1.000	1.000	1.000	1.000
6 / 2002	2.771	1.000	1.000	1.000	1.000
6 / 2003	2.613	1.000	1.000	1.000	
6 / 2004	1.000	1.000	1.000		
6 / 2005	1.000	1.000			
6 / 2006	1.016				

Arkansas Average	1.680	1.000	1.000	1.000	1.000
THREE YR AVG	1.005	1.000	1.000	1.000	1.000
AVG EX HI/LO	1.543	1.000	1.000	1.000	1.000
WEIGHTED AVG	1.681	1.000	1.000	1.000	1.000
COUNTRYWIDE Selected	1.065	1.025	1.030	1.000	1.000

	<u>Selected Factors</u>				
	<u>12-24</u>	<u>24-36</u>	<u>36-48</u>	<u>48-60</u>	<u>60-ULT</u>
Arkansas Selected	1.065	1.025	1.030	1.000	1.000
Projected to Ultimate	1.124	1.056	1.030	1.000	1.000

METROPOLITAN PROPERTY AND CASUALTY INSURANCE COMPANY

ARKANSAS Homeowners

Profit Provision Summary

Insurance companies, like most companies, must compete for capital in the competitive market place. In order to compete for capital, an insurance company must provide a return on equity that is commensurate with the risk assumed. According to the Actuarial Standard of Practice No. 30 - Treatment of Profit and Contingency Provisions and the Cost of Capital in Property/Casualty Insurance Ratemaking, "Property/casualty insurance rates should provide for all expected costs, including an appropriate cost of capital associated with the specific risk transfer." Metropolitan reflects the cost of capital in the ratemaking process in the selection of the underwriting profit provision.

Metropolitan incorporates an Underwriting Profit Provision in the rate-making process using the Total Financial Needs Model. This model develops an underwriting profit provision such that the sum of underwriting profit, miscellaneous income (non-investment), investment income from insurance operations and investment income on capital, after income taxes, equals the target cost of capital. In the following model, Metropolitan calculates the underwriting profit which will ensure that the anticipated income from all sources produces net income after taxes that is commensurate with the risk assumed in the property-casualty insurance business.

Metropolitan targets a 18% return on equity based on the variability of industry property and casualty insurance results. After taking investment income and miscellaneous income into account, the selected underwriting profit provision of 8.7% achieves a 18% cost of capital.

It should be noted that Metropolitan includes Investment Income from Equity in the Profit Provision model. The assumed premium-to-equity ratio is 1.5 to 1.0. This represents a conservative and prudent pricing strategy.

1. Assumptions

a. Premium		\$100
b. Premium-to-Equity Ratio		1.50
c. GAAP Equity		\$66.67
d. Return on Investment (Pre-Tax)		5.5%
e. Return on Investment (After-Tax)	$[5.5\% \times (1 - \text{Tax Rate on Investment Income})]$	4.9%
f. Tax Rate on Underwriting Profit		35.0%

2. Profit Provision Calculation

a. Investment Income From UPR and Loss Reserve	\$3.10
b. Investment Income From Equity	\$3.27
[1.c. x 1.e.]	
c. Underwriting Profit (After Tax)	\$5.63
[100 x 2.f. x (1 - 1.f.)]	
d. Overall Profit	\$12.00
[a + b + c]	
e. Expected Return on Equity	18.0%
f. Underwriting Profit Provision (Pre-Tax)	8.7%

Note: Target Homeowners Return is (as % of Equity)	18.0%
Target Homeowners Return is (as \$ Per \$100 of Premium)	\$12.00

METROPOLITAN PROPERTY AND CASUALTY INSURANCE COMPANY

ARKANSAS Homeowners

Expense History and Selections

1. Variable Expenses - vary directly with premium.

	2004 (000's)	2005 (000's)	2006 (000's)	Selection
a. Direct Premiums Written	\$4,246	\$6,159	\$7,526	
b. Direct Commission & Brokerage	\$494 11.6%	\$729 11.8%	\$975 13.0%	12.10%
c. Taxes, Licenses, and Fees	-----	-----	-----	3.32%
d. Underwriting Profit Provision				8.66%
e. Statewide Variable Expense Provision (b + c + d)				24.08%

2. Flat Expenses - do not vary directly with losses or premiums. They are primarily policy issuance costs as well as Home Office and Service Office overhead. These expenses are considered as a flat cost per unit of exposure. We also trend these expenses by 5% in our indications to reflect anticipated future costs.

	2004 (000's)	2005 (000's)	2006 (000's)	Selection
a. Direct Premiums Earned	\$3,594	\$5,246	\$6,748	
b. Other Acquisition	\$371 10.3%	\$569 10.9%	\$697 10.3%	10.5%
c. General Expense	\$91 2.5%	\$183 3.5%	\$226 3.3%	3.1%
d. Guaranty Fund Assessment not recouped	\$0	\$0	\$0	N/A 0.0%
e. Flat Expense Provision (b + c + d)				13.6%

3. Loss Adjustment Expenses (LAE) - claim settlement expenses which can be broken down into two categories:

a. Allocated Loss Adjustment Expenses (ALAE)

These represent claim settlement expenses which can be associated with specific claims. They are included in the losses.

b. Unallocated Loss Adjustment Expenses (ULAE) *

These represent claim settlement expenses which cannot be associated with specific claims. These expenses are considered to vary with losses. The following is a development of the factor to adjust losses and allocated loss adjustment expenses for ULAE.

	2004 (000's)	2005 (000's)	2006 (000's)	Selection
(1) Direct Losses Incurred	\$1,395	\$1,896	\$4,529	
(2) ALAE	\$79	\$36	\$219	
(3) Loss & ALAE [(1) + (2)]	\$1,475	\$1,932	\$4,747	
(4) ULAE [(4) / (3)]	\$134 9.1%	\$219 11.3%	\$373 7.9%	
(5) ULAE Factor	1.091	1.113	1.079	1.094

4. Development of Statewide Permissible Loss Ratio

a. Variable Expense Provision (1.e.)	24.1%
b. Flat Expense Provision (2e.)	13.6%
c. Permissible Loss and LAE Ratio (100% - a - b)	62.3%
d. ULAE Factor (3.b.(5))	1.094
e. Permissible Loss and ALAE Ratio (c / d)	57.0%

METROPOLITAN PROPERTY AND CASUALTY INSURANCE COMPANY

ARKANSAS

HOMEOWNERS

**ESTIMATED INVESTMENT EARNINGS ON
UNEARNED PREMIUM RESERVES AND ON LOSS RESERVES**

A. Unearned Premium Reserve		
1. Direct Earned Premium for Calendar Year 2006.		\$6,747,646
2. Mean Unearned Premium	(1) x 0.530	\$3,576,252
3. Deduction for Prepaid Expenses		
Commission and Brokerage Expense		12.1%
Taxes, Licenses, and Fees		3.3%
50% of Statewide Flat Expense		6.8%
Total		22.2%
4. (2) x (3) Total		\$794,643
5. Net Subject to Invest (2) - (4)		\$2,781,609
B. Delayed Remission of Premium (Agents' Balances)		
1. Direct Earned Premium (A-1)		\$6,747,646
2. Average Agents' Balances		21.7%
3. Delayed Remission (1) x (2)		\$1,464,239
C. Loss Reserve		
1. Direct Earned Premium (A-1)		\$6,747,646
2. Expected Incurred Loss and Loss Adjustment Expense		\$4,205,133
(1) x 62.3% (permissible loss ratio)		
3. Expected Mean Loss Reserves		\$2,968,530
(2) x 0.706		
D. Net Subject to Investment	(A-5) - (B-3) + (C-3)	\$4,285,900
E. Average Rate of Return		5.5%
F. Investment Earnings on Net Subject to Investment	(D) x (E)	\$235,725
G. Average Rate of Return as a Percent of Direct Earned Premium	(F) / (A-1)	3.5%
H. Average Rate of Return as a Percent of Direct Earned Premium After Federal Income Taxes	(G) x (1 - 0.115)	3.1%

METROPOLITAN PROPERTY AND CASUALTY INSURANCE COMPANY

**HOMEOWNERS INSURANCE
ESTIMATED INVESTMENT EARNINGS ON
UNEARNED PREMIUM RESERVES AND ON LOSS RESERVES**

EXPLANATORY NOTES

Line A-1

Direct earned premiums are for the calendar year ending December 31, 2006

Line A-2

The mean unearned premium reserve is determined by multiplying the direct earned premiums in line A-1 by the countrywide ratio of the mean unearned premium reserve to the direct earned premium for 2006 for Homeowners insurance.

IN THOUSANDS OF DOLLARS

1. Direct Earned Premium for Calendar Year 2006	\$816,948
2. Direct Unearned Premium Reserve as of 12/31/2006	\$423,937
3. Direct Unearned Premium Reserve as of 12/31/2006	\$442,043
4. Mean Unearned Premium Reserve [(2)+(3)]/2	\$432,990
5. Ratio (4) / (1)	0.530

Line A-3

Deduction for prepaid expenses:

Production costs and a large part of the other company expenses in connection with the writing and handling of Homeowners insurance policies, exclusive of claim adjustment expenses, are incurred when the policy is written and before the premium is paid. Therefore, the deduction for these expenses is determined by use of the provisions for expenses used in our ratemaking procedures as shown.

Line B-2

Delayed remission of premium:

This deduction is necessary because of delay in collection and remission of premium to the companies, which amounts to approximately 50 to 75 days after the effective dates of the policies. Therefore, funds for the unearned premium reserve required during the initial days of all policies must be taken from the company's surplus.

Agents' balances for premiums due less than 90 days are added to the agents balances charged off or uncollected premiums overdue for more than 90 days.

IN THOUSANDS OF DOLLARS

1. Homeowners Direct Earned Premium for Calendar Year 2006	\$816,948
2. Homeowners Direct Agents' Balances as of 12/31/2006	\$168,234
3. Homeowners Direct Agents' Balances as of 12/31/2006	\$181,802
4. Homeowners Direct Mean Agents' Balances [(2)+(3)]/2	\$175,018
5. Ratio [(4) / (1)]	0.214
6. All Lines Net Earned Premium for Calendar Year 2006	\$2,932,383
7. All Lines Agents' Balances Charged Off as of 12/31/2006	\$8,539
8. All Lines Agents' Balances Charged Off as of 12/31/2006	\$8,722
9. All Lines Mean Agents' Balances Charged Off [(7)+(8)]/2	\$8,631
10. Ratio [(9) / (6)]	0.003
11. Total [(5) + (10)]	0.217

Line C-2

The expected loss and loss adjustment expense ratio reflects the expense provisions used in the filing.

Line C-3

The expected mean loss reserve is determined by multiplying the expected incurred losses in line C-2 by the average countrywide ratio of the mean loss and loss adjustment expense reserves to the incurred losses and loss adjustment expenses in 2005 and 2006.

IN THOUSANDS OF DOLLARS

1. Incurred Losses for Calendar Year 2005	\$683,225
2. Incurred Losses for Calendar Year 2006	\$457,064
3. Loss Reserves as of 12/31/2004	\$261,466
4. Loss Reserves as of 12/31/2005	\$425,976
5. Loss Reserves as of 12/31/2006	\$404,760
6. Mean Loss Reserve: 2005 [(3)+(4)]/2	\$343,721
7. Mean Loss Reserve: 2006 [(4)+(5)]/2	\$415,368
8. 2005 Ratio (6) / (1)	0.503
9. 2006 Ratio (7) / (2)	0.909
10. Average of 2005 and 2006 ratio:	0.706

Line E

The rate of return is based on the ratio of net investment income earned and net realized capital gain (or losses) to mean cash and invested assets for 2006. For informational purposes, corresponding rates of return for the last five years are shown in the following chart.

IN THOUSANDS OF DOLLARS

Year	Invested Assets	Mean Cash & Invested Assets	Net Investment Income Earned	Rate of Return	Net Realized Capital Gains (or Losses)	Rate of Return	Total Rate of Return
2001	\$3,729,113						
2002	\$3,804,578	\$3,766,846	\$213,324	5.7%	(\$46,431)	-1.2%	4.4%
2003	\$4,065,696	\$3,935,137	\$220,053	5.6%	(\$6,675)	-0.2%	5.4%
2004	\$4,213,697	\$4,139,697	\$234,054	5.7%	(\$2,637)	-0.1%	5.6%
2005	\$4,272,765	\$4,243,233	\$227,103	5.4%	(\$6,801)	-0.2%	5.2%
2006	\$4,282,877	\$4,277,823	\$240,225	5.6%	\$935	0.0%	5.6%
Selected Rate of Return:				5.50%	0.0%		5.5%

Line H

The average rate of federal income tax was determined by applying current tax rates to the distribution of investment income earned for 2006.

Investment Income Earned (IN THOUSANDS OF DOLLARS)			Federal Income Tax Rate
Bonds			
Taxable	\$38,594		35.0%
Non-Taxable	\$172,726		5.25%
Total	\$211,320		10.7%
Stocks			
Preferred	\$25,791		14.2% *
Common	\$1,878		14.2% *
All Other			
Mortgage Loans on Real Estate	\$0		
Real Estate	\$1,709		
Cash/Short-term Investments	\$999		
All Other	\$5,128		
Total	\$7,836		35.0%
Total	\$246,825		11.8%
Investment Deductions	\$3,835		35.0%
Net Investment Income Earned	\$242,990		11.5%

* 85% of 70% of dividend income on stock is not subject to the full corporate income tax rate of 35%. The applicable tax rate is 14.2% (.35 x (1 - .70 x .85) = .142

Metropolitan Property and Casualty Insurance Company

Arkansas Residential Property Program

Sewer Sump Pump Exposures

SEWER SUMP BACKUP	GP and Platinum	Other	# of exposures
2,000	-	125	125
5,000	-	308	308
10,000	-	90	90
25,000	58	79	137
50,000	104	24	128
POL LIMIT	-	86	86
Grand Total	162	712	874

FORM RF-1 Rate Filing Abstract NAIC LOSS COST DATA ENTRY DOCUMENT

1.	This filing transmittal is part of Company Tracking #	
2.	If filing is an adoption of an advisory organization loss cost filing, give name of Advisory Organization and Reference/ Item Filing Number	

		Company Name		Company NAIC Number
3.	A.	Metropolitan Property and Casualty Insurance Company	B.	26298

		Product Coding Matrix Line of Business (i.e., Type of Insurance)		Product Coding Matrix Line of Insurance (i.e., Sub-type of Insurance)
4.	A.	Homeowners	B.	

5.							
(A) COVERAGE (See Instructions)	(B) Indicated % Rate Level Change	(C) Requested % Rate Level Change	FOR LOSS COSTS ONLY				
			(D) Expected Loss Ratio	(E) Loss Cost Modification Factor	(F) Selected Loss Cost Multiplier	(G) Expense Constant (If Applicable)	(H) Co. Current Loss Cost Multiplier
Owners	N/A	2.6%					
Renters	N/A	2.5%					
Landlords	N/A	0.4%					
Mobile Home	N/A	0%					
Dwelling Fire	N/A	2.5%					
TOTAL OVERALL EFFECT	3.4%	2.5%					

6. 5 Year History Rate Change History							
Year	Policy Count	% of Change	Effective Date	State Earned Premium (000)	Incurred Losses (000)	State Loss Ratio	Countrywide Loss Ratio
2001	647	+6.1%	06/15/01	414,034	499,014	121%	52%
2002	836	+14.9%	07/01/02	520,810	218,700	42%	48%
2003	875			704,567	338,192	48%	48%
2004	1000	+3.0%	07/31/04	829,315	454,839	55%	47%
2005	1527	-3.5%	09/22/05	1,264,815	518,574	41%	68%
2007	3011	0.00%	4/23/07	269,4769	896166	33%	NA

7.	
Expense Constants	Selected Provisions
A. Total Production Expense	22.6%
B. General Expense	3.1%
C. Taxes, License & Fees	3.32%
D. Underwriting Profit & Contingencies	8.66%
E. Other (explain)	
F. TOTAL	37.7%

8. _____ Apply Lost Cost Factors to Future filings? (Y or N)
9. _____ Estimated Maximum Rate Increase for any Insured (%). Territory (if applicable): NA
10. _____ Estimated Maximum Rate Decrease for any Insured (%). Territory (if applicable): NA

FORM RF-1 RATE FILING ABSTRACT NAIC LOSS COST DATA ENTRY DOCUMENT INSTRUCTIONS

The attached form is for insurance department purposes to track company rate/loss costs. Companies may be required to complete this form, although some of the information requested is a duplication of information provided elsewhere.

The filer should review the individual state's checklist or the NAIC Property & Casualty Product Requirements Locator to obtain current compliance information. These may be found under <http://www.naic.org> by first clicking on your designation (e.g., Industry) found at the top of the NAIC home page, then clicking on Rates & Forms Filings, then clicking on the desired subject.

COLUMN DESCRIPTIONS

1. **This filing transmittal is part of Company Tracking #**--Corresponds to Item #5 on the Uniform Property & Casualty Transmittal Document.
2. **If filing is an adoption of an advisory organization loss cost filing:** This is only required if there is a corresponding advisory organization filing.
3. **Company name and NAIC #:** Provide in Column 3A the company name(s) the filing is being filed under. If more than one company is represented in the filing, list each company and its NAIC #, unless these companies vary in information provided under Columns 4—10 in the Loss Cost Data Entry Document. In such instances a separate Loss Cost Data Entry Document will need to be submitted for each company in the filing.
4. **NAIC Product Coding Matrix Line of Business and Line of Insurance:** Line of Business is also often referred to as Type of Insurance and is to be entered in Column 3A. Line of Insurance is also often referred to as Sub-Type of Insurance or Sub-Line of Business and if indigenous to the filing would be entered in Column 3B.
5. **A. Coverage:** List the name of the coverage applicable (e.g., Auto BI, Auto PD, Auto Physical Damage, Class Code). If more than one is to be filed, list the information for each separately under Columns 5(A) through 5(H) of the Loss Cost Data Entry Document.
B. Indicated % Rate Level Change: Percent of change as indicated through actuarial data for each coverage, as provided under Item #6 of PC IRF (Loss Cost Filing Document—Other Than Workers' Compensation) and as provided under Item #8 of PC IRF-WC (Loss Cost Filing Document—For Workers' Compensation). Show indicated overall effect at the bottom of this column.
C. Requested % Rate Level Change: Chosen rate level change. Show by coverage as provided under Item #7 of PC IRF (Loss Cost Filing Document—Other Than Workers' Compensation) and as provided under Item #9 of PC IRF-WC (Loss Cost Filing Document—For Workers' Compensation). Show requested overall rate effect at the bottom of this column.
- D. **Expected Loss Ratio:** Enter expected loss ratio as shown in the Loss Cost Filing Document under Item #5A.
- E. **Loss Cost Modification Factor:** Enter the loss cost modification factor as shown in the Loss Cost Filing Document under Item #3B.
- F. **Selected Loss Cost Multiplier:** Enter the loss cost multiplier as provided under Item #7 of PC IRF (Loss Cost Filing Document—Other Than Workers' Compensation) and under Item #9 of PC IRF-WC (Loss Cost Filing Document—For Workers' Compensation).
- G. **Expense Constant:** Enter the selected company expense constant as developed on the Expense Constant Supplement in Item #7A (if applicable).

H. Company Current Loss Cost Multiplier: Enter the loss cost multiplier for each coverage currently on file with the Department. If this is a first-time conversion from rates to loss costs, enter the advisory organization's underlying loss cost multiplier.

- 6. Rate Change History:** Complete up to a five-year history, if available, under the columns indicated.
- 7 Expense Constants:** Pertains to Items #4A—#4F in the Loss Cost Filing Document. Also found under the Expense Constant Supplement, if applicable, in Items #4A—#4F.
- 8. Future Filings:** Provide a Yes or No, as indicated under Item #1 of the Loss Cost Filing Document, whether the submitted loss cost factors are to apply to future filings. (Note: some states have statutes that will not allow automatic adoption of advisory loss cost filings.)
- 9. Maximum Rate Increase:** Indicate the estimated maximum rate increase applicable to the filing being submitted and give territory, if applicable, affected.
- 10. Maximum Rate Decrease:** Indicate the estimated maximum rate decrease applicable to the filing being submitted and give territory, if applicable, affected.

METROPOLITAN PROPERTY AND CASUALTY INSURANCE COMPANY

Response to Objection Letter Dated February 21, 2008

The loss ratio for policies with Backup of Sewer, Drain and Sump Pump Coverage in Arkansas over the last 3 years is 83.4%. In addition, our rates compared to other companies writing in Arkansas and neighboring states also indicates that we are under-priced for this coverage. Rates were selected, in part, so that the rate per \$1,000 of coverage would be decreasing as the limit increases and at the same time not produce a significant rate impact on our existing policyholders. It should be noted that for policies currently with this optional coverage, the overall impact is typically less than 10% as the average policy premium in Arkansas is approximately \$875.

Limits of \$100,000 and above are being introduced as part of our countrywide program and have been approved in several states. The policy limit option for products other than Platinum and GrandProtect is only available for renewal business presently with this limit and the rate was selected so as to mitigate rate disruption. Please note that, currently, we do not have any Platinum or GrandProtect policies with the policy limit option. Platinum and GrandProtect customers are typically high value customers with more expensive homes and the proposed rate was determined with that in mind.